

Montana Department of Natural Resources and Conservation
Water Resources Division
Water Rights Bureau

ENVIRONMENTAL ASSESSMENT
For Routine Actions with Limited Environmental Impact

Part I. Proposed Action Description

1. Applicant/Contact name and address: ONEOK Partners, L.P.
100 West 5th Street, MD17-4
Tulsa, OK 74103
2. Type of action: Application for Beneficial Water Use Permit
39F-30051729
3. Water source name: Little Missouri River
4. Location affected by project: Pipeline generally extends North to South from Section 2, Township 5S, Range 61E, Carter County, Montana and Section 21 Township 56N, Range 61W, Crook County, Wyoming.
5. Narrative summary of the proposed project, purpose, action to be taken, and benefits:

This application is for a temporary diversion of water to aide in the construction of the ONEOK Bakken natural gas pipeline project. The point of diversion is located in the SESWNW of Section 28, T6S, R62E, Carter County. The place of use for this application is generally located in Carter County, Montana and Crook County, Wyoming. Maps for pipeline locations are in the permit file located at the Billings Regional Water Resource office. The pipeline project will divert at a maximum flow rate of 2,000 gpm up to 8.46 acre-feet between June 1, 2012 and August 31, 2013. The water will be used for horizontal directional drilling, boring, pre-installation hydrostatic testing and hydrostatic testing along 60 miles of the pipeline route. The water used for hydrostatic testing, 5.82 acre-feet, is non-consumptive and will be discharged back into the Little Missouri River at the point of diversion in Montana. The water used for horizontal directional drilling and boring, 2.64 acre-feet, is consumptive.

The DNRC shall issue a water use permit if an applicant proves the criteria in 85-2-311 MCA are met.
6. Agencies consulted during preparation of the Environmental Assessment:
(include agencies with overlapping jurisdiction)

Montana Department of Environmental Quality Website – TMDL 303d Listing
Montana National Heritage Program Website – Species of Concern
United States Fish and Wildlife Website – National Wetland Inventory
Montana Department of Fish Wildlife and Parks – Dewatering Concern Areas

Part II. Environmental Review

1. Environmental Impact Checklist:

PHYSICAL ENVIRONMENT

WATER QUANTITY, QUALITY AND DISTRIBUTION

Water quantity - Assess whether the source of supply is identified as a chronically or periodically dewatered stream by DFWP. Assess whether the proposed use will worsen the already dewatered condition.

Determination: No impact

The Little Missouri River is not identified as chronically or periodically dewatered stream by DFWP.

Water quality - Assess whether the stream is listed as water quality impaired or threatened by DEQ, and whether the proposed project will affect water quality.

Determination: No impact

The Little Missouri River (Highway 323 Bridge to South Dakota border) is listed on the Montana DEQ website, Clean Water Act Information Center. This source is listed to fully support contact recreation, and partially support aquatic life and warm water fishery. Impairments include increased metals in the source from natural causes. No changes to water quality or chemistry are anticipated due to the nature of the proposed change.

Groundwater - Assess if the proposed project impacts ground water quality or supply. If this is a groundwater appropriation, assess if it could impact adjacent surface water flows.

Determination: No impact

The application includes only surface water from the Little Missouri River.

DIVERSION WORKS - Assess whether the means of diversion, construction and operation of the appropriation works of the proposed project will impact any of the following: channel impacts, flow modifications, barriers, riparian areas, dams, well construction.

Determination: Minor impact

Water will be diverted from the Little Missouri River via an XH-150 8-inch x 6-inch end suction centrifugal pump for the HDD and hydrostatic testing portions of the project. Water diverted for hydrostatic testing will be returned to the Little Missouri River at the proposed point of diversion. No changes in stream channel or riparian area are anticipated.

UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES

Endangered and threatened species - Assess whether the proposed project will impact any threatened or endangered fish, wildlife, plants or aquatic species or any "species of special concern," or create a barrier to the migration or movement of fish or wildlife. For groundwater, assess whether the proposed project, including impacts on adjacent surface flows, would impact any threatened or endangered species or "species of special concern."

Determination: No impact

Animals:

Per the Montana Natural Heritage Program website, the Bureau of Land Management (BLM), lists the Townsends Big Eared Bat, Black-tailed Prairie Dog, Meadow Jumping Mouse, Spiney Softshell turtle, Snapping Turtle, Western Hog-nosed Snake, Greater Short-horned Lizard, and Sauger as sensitive. The US Forest Service (USFS) lists the Townsend's Big-eared Bat, Black-tailed Prairie Dog, Western Hog-nosed Snake, and Greater Short-horned lizard as sensitive.

Plants:

Per the Montana Natural Heritage Program website, the Bureau of Land Management (BLM), lists Narrowleaf Milkweed, Barr's Milkvetch, Visher's Buckwheat, Blue Toadflax, Little Indian Breadroot, Narrowleaf Penstemon, Plains Phlox, Double Bladder pod, Bur Oak, and Pregnant Sedge as sensitive. The USFS lists the Ovalleaf Milkweed and Barr's Milkvetch as sensitive.

This information corresponds with the information provided in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012. The Applicant's supporting documentation includes plans of action should a listed species be encountered during the course of the construction project.

Wetlands - Consult and assess whether the apparent wetland is a functional wetland (according to COE definitions), and whether the wetland resource would be impacted.

Determination: Minor impact

In Montana, the project construction will temporarily impact 2.6 miles of wetland/riparian area; a total project area of 26 acres with construction activities. The Applicant will implement mitigation measures during and after construction to provide protection of existing habitat and restoration of impacted areas. All wetland areas will be restored to pre-construction conditions.

Wetlands are addressed in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012.

Ponds - For ponds, consult and assess whether existing wildlife, waterfowl, or fisheries resources would be impacted.

Determination: No impact

This project does not involve ponds.

GEOLOGY/SOIL QUALITY, STABILITY AND MOISTURE - *Assess whether there will be degradation of soil quality, alteration of soil stability, or moisture content. Assess whether the soils are heavy in salts that could cause saline seep.*

Determination: No impact

Applicant's Supporting Information for Montana Environmental Policy Act Review, dated January 2012, addresses the geology and soil qualities along the project site. The Applicant has project specific plans in place to address areas of concern.

The Project will likely have no long term effects on soils impacted by the construction.

VEGETATION COVER, QUANTITY AND QUALITY/NOXIOUS WEEDS - *Assess impacts to existing vegetative cover. Assess whether the proposed project would result in the establishment or spread of noxious weeds.*

Determination: No impact

Vegetative cover is addressed in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012.

Impacts to the area vegetation are expected to be temporary. The applicant will implement several mitigation measures during and after construction to provide for protection of existing habitat and restoration of impacted areas.

AIR QUALITY - *Assess whether there will be a deterioration of air quality or adverse effects on vegetation due to increased air pollutants.*

Determination: No impact

Air quality is addressed in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012.

The Project will likely have no long term effects to air quality.

HISTORICAL AND ARCHEOLOGICAL SITES - *Assess whether there will be degradation of unique archeological or historical sites in the vicinity of the proposed project if it is on State or Federal Lands. If it is not on State or Federal Lands simply state NA-project not located on State or Federal Lands.*

Determination: NA-project not located on State or Federal Lands.

Historical and archeological sites were addressed in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012.

The Applicant addressed historical and archeological sites along the pipeline route. The Project will reroute or use horizontal directional drilling to avoid the disturbance of sites identified by the Montana State Historic Preservation Office.

The Project will likely have no impact on historical, cultural or archeological sites.

DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AND ENERGY - *Assess any other impacts on environmental resources of land, water and energy not already addressed.*

Determination: No impacts not already assessed.

HUMAN ENVIRONMENT

LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS - *Assess whether the proposed project is inconsistent with any locally adopted environmental plans and goals.*

Determination: No impact

ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES - *Assess whether the proposed project will impact access to or the quality of recreational and wilderness activities.*

Determination: Minor impact

Recreation and wilderness activities are addressed in the Applicant's Supporting Information for Montana Environmental Policy Act Review dated January 2012.

All impacts created by the project will be temporary. The Applicant has identified a restoration program in their supporting document.

The Project will have little or no long term impacts on the access and quality of recreational and wilderness activities along the project route.

HUMAN HEALTH - *Assess whether the proposed project impacts on human health.*

Determination: No impact

PRIVATE PROPERTY - *Assess whether there are any government regulatory impacts on private property rights.*

*Yes*___ *No* *X* *If yes, analyze any alternatives considered that could reduce, minimize, or eliminate the regulation of private property rights.*

Determination: There are no additional government regulatory impacts on private property rights associated with this application.

OTHER HUMAN ENVIRONMENTAL ISSUES - For routine actions of limited environmental impact, the following may be addressed in a checklist fashion.

Impacts on:

- | | |
|---|------|
| (a) <u>Cultural uniqueness and diversity?</u> | None |
| (b) <u>Local and state tax base and tax revenues?</u> | None |
| (c) <u>Existing land uses?</u> | None |
| (d) <u>Quantity and distribution of employment?</u> | None |
| (e) <u>Distribution and density of population and housing?</u> | None |
| (f) <u>Demands for government services?</u> | None |
| (g) <u>Industrial and commercial activity?</u> | None |
| (h) <u>Utilities?</u> | None |
| (i) <u>Transportation?</u> | None |
| (j) <u>Safety?</u> | None |
| (k) <u>Other appropriate social and economic circumstances?</u> | None |

2. *Secondary and cumulative impacts on the physical environment and human population:*

Secondary Impacts: None identified

Cumulative Impacts: None identified

3. *Describe any mitigation/stipulation measures:*

Mitigation/stipulation measures are identified in the Applicant's Supporting Information for Montana Environmental Policy Review Act dated January 2012.

4. *Description and analysis of reasonable alternatives to the proposed action, including the no action alternative, if an alternative is reasonably available and prudent to consider:*

An alternative analysis of the project identified a no action alternative to the construction of the natural gas pipeline. This alternative would have no direct impacts associated with construction and operation of the pipeline and its facilities. The no-action alternative would not allow ONEOK to meet the purpose of and need for the project.

PART III. Conclusion

1. Preferred Alternative

None

2 Comments and Responses

None

3. Finding:

Yes___ No X Based on the significance criteria evaluated in this EA, is an EIS required?

If an EIS is not required, explain why the EA is the appropriate level of analysis for this proposed action:

An EA is the appropriate level of analysis for this proposed action because no significant impacts have been identified as a result of the proposed action.

Name of person(s) responsible for preparation of EA:

Name: Brad Bennett

Title: Hydrologist/Specialist

Date: March 26, 2012